

Sean Dougherty
AVP, Contracts
CIT Rail



March 14, 2008

Secretary
Surface Transportation Board
Washington, D.C. 20423

RECORDATION NO. 26509-A FILED

MAR 14 '08 -5 21 PM

RE: APAC01001

SURFACE TRANSPORTATION BOARD

Dear Secretary:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) is a Memorandum of Lease Agreement dated as of November 5, 2007, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Lease Agreement being filed with the Board under Recordation Number 26509.

The names and addresses of the parties to the enclosed document are:

Lessee: The Apache Railway Company
PO Box 857
Snowflake, AZ 85937-0136

Lessor: C.I.T Leasing Corporation
11 West 42nd Street, 7th Floor
New York, New York 10036

A description of the railroad equipment covered by the enclosed document is: Railcars within the series SWFX 1600- SWFX 1669 as more particularly set forth in the equipment schedule attached to this document.

A short summary of the document to appear in the index is: Memorandum of Railcar Lease.

Kindly return stamped copies of the enclosed document to the undersigned.

Best regards,

/s

Sean Dougherty
AVP, Contracts
CIT Rail

Enclosures

CIT RAIL
30 South Wacker Drive
Suite 3000
Chicago, IL 60606

t: 312.906.5785 f: 312.906.5833
sean.dougherty@cit.com

MEMORANDUM OF LEASE EXTENSION

THIS MEMORANDUM OF RAILCAR LEASE dated as of this 24th day of November, 2007, is made by C.I.T. LEASING CORPORATION, a Delaware corporation, with an address at 11 West 42nd Street, 7th Floor, New York, New York 10036 (the "Lessor") and, THE APACHE RAILWAY COMPANY, an Arizona corporation, with an address at PO Box 857, Snowflake, AZ 85937-0136 (the "Lessee" and, together with the Lessor, the "Parties").

KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, the Lessor and the Lessee entered into that certain Lease Extension Certificate (the "Certificate") dated as of November 5, 2007 covering the equipment listed on Schedule A hereto (the "Equipment") and extending a Master Net Railcar Lease originally dated as of June 1, 2006 (the "Lease"); pursuant to a Memorandum of Railcar Lease filed with the Surface Transportation Board on 8/15/2006 as recordation number 26507.

WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Certificate, and the respective interests therein of the Parties and accordingly the Parties have caused this memorandum to be executed by their respective duly authorized officers, as of the date first above written.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Lessor hereby extends the Lease and confirms the lease of the Equipment to the Lessee in accordance with the terms and conditions of the Certificate, and the Lessee confirms and accepts such terms and conditions, which are incorporated by reference as if fully set forth herein.

I certify that I hold the title set forth below, that this instrument was signed on behalf of the Lessor by authority of its Board of Directors and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the Lessor. I further declare under penalty of perjury that the foregoing is true and correct.

C.I.T. LEASING CORPORATION

By: [Signature]
Name: Jeffrey T. Little
Title: SVP Leasing

I certify that I hold the title set forth below, that this instrument was signed on behalf of the Lessee by authority of its Board of Directors and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the Lessee. I further declare under penalty of perjury that the foregoing is true and correct.

THE APACHE RAILWAY COMPANY

By: [Signature]
Name: John McKee
Title: Vice President

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SURFACE TRANSPORTATION BOARD

Schedule A

Number of Cars			Equipment Description		
70			Steel, two compartment, non-rotary coal hopper		
1	SWFX	1600	53	SWFX	1652
2	SWFX	1601	54	SWFX	1653
3	SWFX	1602	55	SWFX	1654
4	SWFX	1603	56	SWFX	1655
5	SWFX	1604	57	SWFX	1656
6	SWFX	1605	58	SWFX	1657
7	SWFX	1606	59	SWFX	1658
8	SWFX	1607	60	SWFX	1659
9	SWFX	1608	61	SWFX	1660
10	SWFX	1609	62	SWFX	1661
11	SWFX	1610	63	SWFX	1662
12	SWFX	1611	64	SWFX	1663
13	SWFX	1612	65	SWFX	1664
14	SWFX	1613	66	SWFX	1665
15	SWFX	1614	67	SWFX	1666
16	SWFX	1615	68	SWFX	1667
17	SWFX	1616	69	SWFX	1668
18	SWFX	1617	70	SWFX	1669
19	SWFX	1618			
20	SWFX	1619			
21	SWFX	1620			
22	SWFX	1621			
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46	SWFX	1645			
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49	SWFX	1648			
50	SWFX	1649			
51	SWFX	1650			
52	SWFX	1651			